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Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY

In re Applications of) MM DOCKET NO. 93-216
DOUBLE W, INC.	File No. BPH-920506MD
DON TIMMERMAN BROADCASTING, INC.) File No. BPH-920507MA
For Construction Permit for a New FM Station on Channel 253 at Cedar Falls, Iowa)))

To: Chief Administrative Law Judge Joseph Stirmer

MASS MEDIA BUREAU'S CONSOLIDATED COMMENTS IN SUPPORT OF JOINT MOTION FOR APPROVAL OF SETTLEMENT AGREEMENT AND PETITION FOR LEAVE TO AMEND

- 1. On August 11, 1993, Double W, Inc. ("Double") and Don Timmerman Broadcasting, Inc. ("Timmerman") filed a joint motion for approval of settlement agreement. The applicants filed a supplement to their joint motion on August 30, 1993. Also, on August 30, 1993, the applicants filed a petition for leave to amend. The Mass Media Bureau submits the following comments in support of the joint motion and the petition for leave to amend.
- 2. Double and Timmerman propose to settle this proceeding by merging their interests through formation of a new applicant, Thin Air Investments, L.C. ("Thin Air"). Thin Air's principals will include Double's four principals, Timmerman's sole principal, and A. Miller Roskamp, who was not previously a

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By Order, FCC 93M-540, released August 20, 1993, the Presiding Judge granted the applicants' request to suspend procedural dates pending action on their settlement agreement.

principal of either Double or Timmerman. Double's four principals each will hold 16% of Thin Air's shares, while Timmerman and Roskamp each will hold 18%. The agreement provides that profits and losses will be allocated pro-rata to ownership rights unless otherwise agreed upon by Thin Air's shareholders. Thin Air will assume as obligations of the company the expenses incurred by Double and Timmerman in prosecuting their applications. Thin Air proposes to employ as general manager of the station one of Double's principals, and to employ two of Double's other principals and Timmerman's principal as part-time employees. Thin Air will pay to those persons salaries that are commensurate with their duties. Thin Air's shareholders have also entered into an agreement which imposes various restrictions on the transfer of shares. Finally, the proposed amendment substitutes Thin Air for Double and seeks to move Thin Air's transmitting antenna from the location referenced in Double's application to an existing tower.

3. Review of the settlement agreement, including the declarations of the applicants' respective principals, shows that Double and Timmerman have complied with the requirements of Section 73.3525 of the Commission's Rules, which implements Section 311(c)(3) of the Communications Act of 1934, as amended. Double and Timmerman show that their applications were not filed for an improper purpose and that approval of the joint motion will serve the public interest. Moreover, it appears that the

parties' arrangement qualifies as a <u>bona fide</u> merger. All of the principals of Double and Timmerman will hold interests in Thin Air, and the value of their holdings in Thin Air will be directly related to the success of the new station. See Settlement

Agreements, 6 FCC Rcd 85 (1990), modified, 6 FCC Rcd 2901, 2902 (1991); Venton Corporation, 90 FCC 2d 307 (1982). Finally,

Double's amendment appears acceptable. The substitution of Thin Air for Double is appropriate and necessary to effectuate the settlement and the relocation of the applicants' antenna has been determined by the Bureau's engineering staff to be in conformance with the Commission's technical rules.

4. Accordingly, the Bureau supports grant of the joint motion for approval of settlement agreement and petition for leave to amend, grant of Double's (now Thin Air's) application as

The methodologies for determining the value of shares as specified in the August 20, 1993, "Shareholder Agreement Concerning Transfer of Stock" appear designed to result in reasonable valuations. Thus, any transfer of shares is likely to be at fair market value.

modified, dismissal of Timmerman's application, and termination of this proceeding.

Respectfully submitted,

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September 3, 1993

CERTIFICATE OF SERVICE

Michelle C. Mebane, secretary of the Hearing Branch, Mass Media Bureau, certifies that she has on this 3rd day of September, 1993, sent by regular United States mail, U.S. Government frank, copies of the foregoing "Mass Media Bureau's Comments in Support of Joint Motion for Approval of Settlement Agreement and Petition for Leave to Amend" to:

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